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Office of the St. Joseph County Assessor

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International Association of Assessing Officials



Indiana County Assessors Association
Indiana Township Assessors Association
Association of Indiana Counties

March 24, 2017

Mr. Barry Wood, Assessment Director
Indiana Department of Local Government Finance
100 North Senate Avenue, N 1058(B)
Indianapolis, IN 46204

RE: St. Joseph County Ratio Study
2017 pay 2018

Dear Mr. Wood:

The enclosed data for St. Joseph County reflects the proposed Assessed Value Changes for the January 1, 2017 assessment year. We have conducted a ratio study based on sales in the Residential, Industrial, and Commercial classes for the purpose of the Annual Adjustment to market value as required by 50 IAC27, using guidelines provided by the Department of Local Government Finance.

The study includes all available sales from the period of January 1, 2016 to December 31, 2016. Properties were reviewed for characteristics at the time of sale, using MLS, permits and field inspections. The records were updated to reflect all changes. All sold and unsold properties were treated equally and equitably. The new agricultural land base rate and the new Location Cost Multiplier were applied. Commercial and Industrial sales were additionally reviewed against LoopNet Commercial, field visits and buyer/seller information.

During 2017 pay 2018, our 3rd phase of Cyclical Reassessment involved reviewing and visiting over 30,000 parcels of residential, commercial, industrial and agricultural properties. During that period, our dedicated staff used Pictometry, field inspections and updated photographs to review property data characteristics. Field inspections were completed on building permits and Sales Disclosures. You will see in our workbook that Centre and Clay Townships Industrial Improved class have decreased by more than 10% due to cyclical review.

Additionally, during our preparation for phase 4 of Cyclical Reassessment, reports indicated that Improved Industrial properties in Greene and Harris Townships needed depreciation updates causing more than a 10% decrease.

Initially, the study included 3,368 valid sales from January 1, 2016 through December 31, 2016. St. Joseph County is committed to utilizing as many valid sales as possible during the trending process. We have taken every step to ensure the sales used provide the most accurate information relating to the residential and commercial/industrial market within the County. We have also used as many multi parcel sales as possible and have the tab called "Multi Parcel Sales" for identification. Of these 3,368 sales, 3,038 were used in the study. The "outliers" are identified on the attached "Sales not Used" worksheet. Additionally, sales were excluded which had a change in use or property class (i.e. rental properties using income valuation, land removed from Developer's discount, new construction, etc.) or did not meet other tests of acceptability when verified by our Sales Disclosure Department.

All acceptable sales were stratified by township, neighborhood and property class type for this analysis resulting in some properties being reported in a different neighborhood this year. We researched and trimmed outliers, applied suggested factors, and calculated the 2017 pay 2018 assessments contained in the attached workbook.

Improved Residential: Each of our townships had sufficient number of sales to support their own ratio study, with the exception of Madison Township that had only 4 valid sales in the Residential Improved. All acceptable sales were stratified by township and neighborhood. No trending was indicated in Liberty, Lincoln, Madison and Union Townships. All other townships had sufficient sales to apply factors to some of their neighborhoods. For example Greene Township, in addition to a factor being applied, we had a number of new constructions that increased the overall value by more than 10%. Portage Township had high investment (rentals) sales, which were reviewed and removed from the ratio study. Residential properties sold, unsold, pending and on the market were reviewed during Cyclical Reassessment and against MLS and Zillow for their characteristics. While some were invalidated, those that truly reflected the market in high foreclosure areas were used in this study to determine the property values.

Vacant Residential: After reviewing all of our Residential Vacant sales county-wide, only 3 sales were valid. Not enough to analyze data.

Improved Commercial: Due to insufficient sales of commercial property in many townships, the study was conducted on a county-wide basis by Property Class. All sales were reviewed for validity. Upon further review and analysis of economic trends and conditions it was determined that no factor is warranted. The results of the Combined Study by Property Class Code are shown.

Vacant Commercial: After reviewing all of our Vacant Commercial sales county-wide, only 2 sales were valid. Not enough to analyze data.

Improved Industrial: After reviewing all townships for valid sales, the sales were combined for Centre, Penn, and Portage Townships for the Industrial Class Codes 340, 350 and 399. The results of the Combined Study by Property Class Code are shown.

Vacant Industrial: After reviewing all of our Vacant Industrial sales county-wide, only 1 sale was valid. Not enough to analyze data.

Please review the attached ratio study, workbook, and sales not used files for St. Joseph County. Please contact us if you have any questions or concerns.

Thank you.

Respectfully submitted,
Arcelia Dorado
Director of Assessments

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